



### INVESTMENT OBJECTIVE

The Sub-Fund seeks to outperform the 20% Eurostoxx 50 + 80% Euro MTS composite index calculated with dividends reinvested, over the recommended investment period (2 years).

### PORTFOLIO MANAGERS COMMENTS

The tone has remained upbeat on the European markets over recent weeks, despite a persistently complex overall context, particularly from a political standpoint.

Eurozone equities have been enjoying a very sound Q1 earnings reporting season, contrary to the bleakest projections that reigned at the start of the year.

The bond markets continued to deliver solid performances, shored up by the ECB's consistent intervention. However, there is no shortage of factors that could have triggered major incidents, without the omnipresent monetary authorities: sharp rebound in oil prices, massive issue volumes, with close to €400bn over five months for private debt alone, and a U-turn on projections for monetary tightening in the USA.

DNCA Invest Eurose saw a slightly negative performance, shedding 1.05% year-to-date, dragged down by equity indices that remain in the red despite their recent rally (-4.29% for the benchmark EURO STOXX 50 Net Return).

The fund's investment activity has slowed significantly over recent weeks due to the very stretched valuation for Eurozone bonds. DNCA Invest Eurose took a stake in the Nexans bond (3.25%, maturing in 2021), as the company is well on course to meet its 2017 targets, particularly on the back of reduced financing costs as a result of this issue, so this operation harbors attractive yield in view of the group's current and future fundamentals.

On the equities side, we ramped up our positions on Vallourec, Technicolor and Société Générale. The fund's exposure to financial stocks now accounts for close to 2.50% of assets, or 8.50% of the equity portion.

Against an ongoing tricky international backdrop, the Eurozone continues to display repeatedly positive statistics. Companies are stepping up their investment expenditure, and barring any major shocks, the continued drop in unemployment and positive trends for credit provision should shore up this positive trend. Having expected the worst at the start of the year, the markets are now staging an upturn, although volumes still remain moderate. Valuations are admitted stretched, due to the combined effects of the market rebound and downgrades to earnings projections, but any good news on the political side could push European equities center-stage again. DNCA Invest Eurose still prefers equity risk with exposure at close to 30% of assets.

Text completed on June 1, 2016

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### DATA AS OF 05/31/2016

	Fund	Index*
YTD performance	-1.05%	1.94%
Performance 2015	2.85%	3.06%
Performance annualized since inception	4.57%	7.08%
1 year volatility	6.80%	5.44%
3 years volatility	5.62%	5.19%
Volatility since inception	5.01%	5.78%

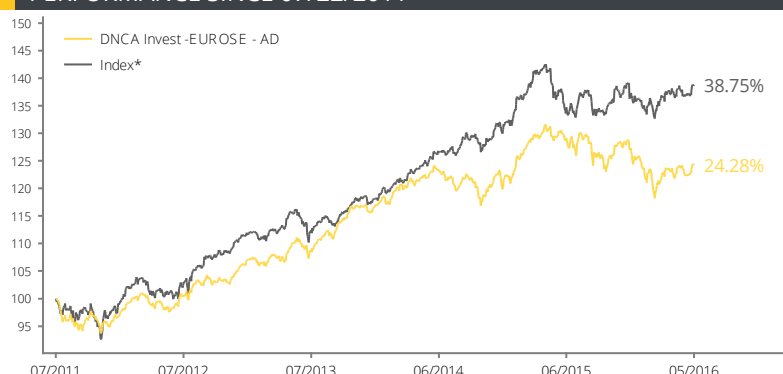
\* 80% Euro MTS Global + 20% Euro Stoxx 50 Net Return

Past performance is not a guarantee of future performance

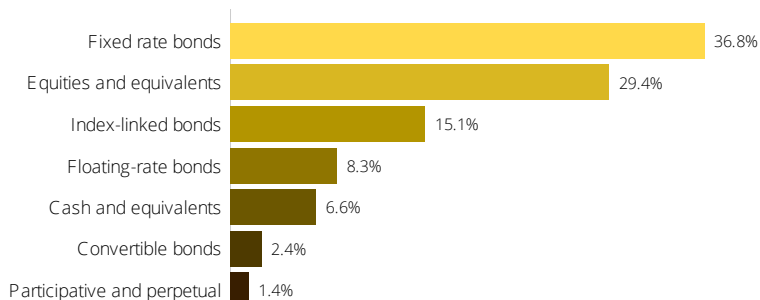
### MAIN CHARACTERISTICS AS OF 31/05/2016

NAV	€137.35	Net assets	€4,596 M
Average yield	1.65%	Average modified duration	2.17
Average maturity (years)	3.36	Bonds and related	64.0%

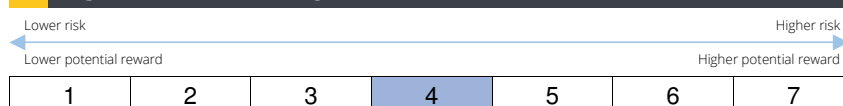
### PERFORMANCE SINCE 07/22/2011



### BY ASSETS



### RISK AND REWARD PROFILE



The risk level of this fund is due to exposure to equity and/or fixed income markets